LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6069 NOTE PREPARED: Nov 11, 2009

BILL NUMBER: HB 1153 BILL AMENDED:

SUBJECT: Paramedic Licensing.

FIRST AUTHOR: Rep. Brown T

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> *Licensure of Paramedics*- The bill establishes the Paramedic Board (PB) to license paramedics instead of the certification of paramedics by the Emergency Medical Services Commission (EMSC). The bill sets qualifications and requirements for a licensed paramedic.

B Misdemeanor- The bill makes it a Class B misdemeanor to practice as a paramedic without a license. The bill exempts certain persons with experience as a paramedic from certain licensure requirements.

The bill also makes conforming changes.

Effective Date: July 1, 2010.

Explanation of State Expenditures: Licensure of Paramedics- If paramedics were licensed by the proposed Paramedic Board, the administrative reduction to the EMSC would be offset by increased administrative expenditures for the Professional Licensing Agency (PLA). The bill does not specify any compensation for board members' service to the PB. The bill does not make an appropriation to cover the cost of licensure by the PB. Therefore, in lieu of any additional appropriations, the PLA would have to implement this provision within its existing level of resources.

Staff Cost-The PLA would provide the administrative staff to the PB. Whether the PLA requires additional staff would depend on the number of applicants for the license and the workload of PLA staff with existing professional boards and commissions. A new COMOT III position to process licenses would require \$37,370 in expenditures during FY 2011. The amount includes salary, fringes, and indirect costs associated with establishing the position.

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<u>Background Information</u>- The PLA reverted \$559,310 at the close of FY 2009. As of November 2, 2009, the PLA had five vacancies with salary worth \$110,084.

Explanation of State Revenues: Licensure of Paramedics- There were 1,198 paramedics certified during 2008, according to the DHS Annual Report 2008. As an example only, a \$100 licensing fee, which is similar to certain other health professions, multiplied by 1,200 paramedics would generate \$120,000. All revenue from licensing would depend on the fee established by the PB and the number of license applicants. Paramedic licensure fees would be deposited in the state General Fund. Revenue collection from fees may not be immediate, as existing certified paramedics would be granted a two-year "grace period" to continue practicing before obtaining a license to practice.

B Misdemeanor- If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

Civil Penalty- The PB would be able to impose a civil penalty of up to \$500 for any licensed paramedic who commits an act or makes an omission constituting gross negligence arising from practice as a paramedic. Civil penalties collected under this provision would be placed in the state General Fund.

Explanation of Local Expenditures: *B Misdemeanor*- A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: *B Misdemeanor*- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected: PLA; EMSC under the Department of Homeland Security.

Local Agencies Affected: Trial courts, local law enforcement agencies.

<u>Information Sources:</u> *Indiana Department of Homeland Security Annual Report 2008*, Indiana State Budget Agency: *General and Rainy Day Fund Summaries, June 30, 2009*.

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